GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3062
ANSWERED ON:05.08.2002
INTEGRATED PRICE POLICY
MOHAN RAWALE

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government have formulated any integrated price policy to ensure remunerative prices of agricultural produce and their parity with industrial goods; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a)&(b): The main objectives of the Government`s price policy for agricultural produce are aimed at ensuring remunerative prices to the growers for their produce with a view to encourage higher investment and production and to safeguard the interests of consumers by making available supplies at reasonable prices. The price policy seeks to evolve a balanced and integrated price structure in the perspective of the overall needs of the economy.

The Government decide on the support price for various agricultural commodities taking into account the recommendations of the Commission for Agricultural Costs & Prices (CACP), views of State Governments and concerned Central Ministries as well as such other relevant factors, which in the opinion of the Government are important for fixation of support prices. While formulating its recommendations on price policy, the CACP considers important factors like cost of production, changes in input prices, input/output price parity, trends in market prices, effect on industrial cost structure, parity between prices paid and prices received by farmers (terms of trade), etc. It is not considered desirable to take into account parity with industrial goods along while fixing the minimum support prices.